



# CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** REPORT TO THE COUNCIL – FINANCIAL AUDIT FOR FISCAL YEAR 98-99

**MEETING DATE:** February 2, 2000

**PREPARED BY:** Finance Director

**RECOMMENDED ACTION:** That the City Council receive for file the following reports and financial statements submitted by KPMG LLP and the Finance Department for Fiscal Year 1998-99:

- The Combined Annual Financial & Single Audit Report
- The Management Letter
- The SAS 61 Report (Report to City Council)

**BACKGROUND INFORMATION:** The annual audit was conducted to reassure the City Council and other interested parties that the City's financial records and reports are prepared in accordance with generally accepted accounting principles (GAAP), that internal controls are adequate to safeguard the City against loss from unauthorized use or disposition of assets and that the City has complied with all agreements and covenants to obtain grant funds and debt financing. KPMG LLP has issued an "unqualified opinion". Denise Price, Partner and Bill Foster, Senior Manager of KPMG will be present to do the presentation and answer questions during the Council meeting.

The reports will be provided to Federal and State oversight agencies, bond trustees and insurance companies for their review and evaluation. Copies of the reports are provided to the City Council and also available to the public by contacting the Finance Department Accounting Manager or at the Lodi Public Library for reference.

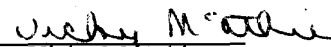
### Certificate of Achievement

The City received a Certificate of Achievement for Excellence in Reporting from the Government Finance Officers Association (GFOA) and the California Society of Municipal Finance Officers (CSMFO) for the sixth year in a row. Copies of these certificates are included in the 1998-99 Financial Report.

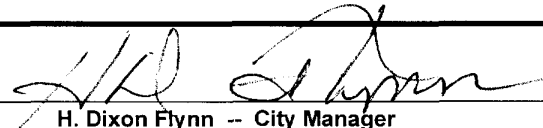
### Acknowledgments

The Accounting staff of the Finance Department must be commended for their hard work and professionalism in preparing the City's Annual Financial Reports. It is due to their dedication to excellence and to the City that made Lodi recognized by the auditors and other professional financial organizations.

**FUNDING:** None

  
Vicky McAthie  
Finance Director

**APPROVED:** \_\_\_\_\_

  
H. Dixon Flynn -- City Manager